



Patrick W. Henning, Director

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Arnold Schwarzenegger
Governor

Ms. Andrea T. Baker, Director
Merced County Department of Workforce Investment
1880 West Wardrobe Ave.
Merced, CA 95340

Dear Ms. Baker:

**WORKFORCE INVESTMENT ACT
85-PERCENT PROGRAM REVIEW
FINAL MONITORING REPORT
PROGRAM YEAR 2007-08**

This is to inform you of the results of our review for Program Year (PY) 2007-08 of the Merced County Local Workforce Investment Area's (Merced County LWIA) Workforce Investment Act (WIA) 85-Percent program operations. We focused this review on the following areas: Board composition, One-Stop delivery system, program administration, WIA activities, participant eligibility, local program monitoring of subrecipients, grievance and complaint system, and management information system/reporting.

This review was conducted by Ms. Karen Fuller-Ware from November 26-30, 2007.

Our review was conducted under the authority of Sections 667.400 (a) and (c) and 667.410 of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by the Merced County LWIA with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding program operations for PY 2007-08.

We collected the information for this report through interviews with the Merced County LWIA representatives, service provider staff and WIA participants. In addition, this report includes the results of our review of selected case files, the Merced County LWIA's response to Section's I and II of the Program On-Site Monitoring Guide, and a review of applicable policy and procedures for PY 2007-08.

BACKGROUND

The Merced County LWIA was awarded WIA funds to administer a comprehensive workforce investment system by way of streamlining services through the One-Stop delivery system. For PY 2007-08, the Merced County LWIA was allocated: \$1,470,295 to serve 250 adult participants; \$1,590,556 to serve 448 youth; 1,099,664 to serve 158 dislocated worker participants.

For the quarter ending September 30, 2007, the Merced County LWIA reported the following expenditures for its WIA programs: \$63,600 for adult participants; \$0 for youth participants; however \$1,805,052 was expended from R760332 for PY 2006-07 and \$143,018 for dislocated worker participants. In addition, the Merced County LWIA reported the following enrollments: 114 adult participants; 99 dislocated worker participants and 294 youth participants. We reviewed case files for 30 of the 507 participants enrolled in the WIA program as of November 26, 2007.

PROGRAM REVIEW RESULTS

We conclude that, overall, the Merced County LWIA is meeting applicable WIA requirements concerning its program operations.

This report contains no findings or concerns; therefore, we are issuing this report as the final report.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. It is the Merced County LWIA's responsibility to ensure that its systems, programs, and related activities comply with the WIA grant program, Federal and State regulations, and applicable State directives. Therefore, any deficiencies identified in subsequent reviews, such as an audit, would remain the Merced County LWIA's responsibility.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Mr. Jim Tremblay at (916) 654-7825 or Ms. Karen Fuller-Ware at (916) 653-4174.

Sincerely,



JESSIE MAR, Chief
Compliance Monitoring Section
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